

**REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS  
COUNTY OF SAN BERNARDINO REDEVELOPMENT AGENCY, CALIFORNIA  
SAN BERNARDINO COUNTY, CALIFORNIA  
AND RECORD OF ACTION**

June 24, 2003

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**FROM:** JOHN E. NOWAK, Redevelopment Administrator

**SUBJECT:** AMENDMENT NO. 6 TO FINANCING AGREEMENT BETWEEN THE COUNTY OF SAN BERNARDINO AND THE REDEVELOPMENT AGENCY OF THE COUNTY OF SAN BERNARDINO.

**RECOMMENDATION:** Approve Amendment No. 6 to Financing Agreement No. 97-814 between the County of San Bernardino and the Redevelopment Agency of the County of San Bernardino for an annual loan amount of \$1,233,236 for Fiscal Year 2003-04.

**BACKGROUND INFORMATION:** On September 30, 1997 the County's Redevelopment Agency (CoRDA) entered into a Financing Agreement with the County of San Bernardino for a loan by the County to the CoRDA for the purpose of paying general administrative costs associated with the implementation of the San Sevaire Redevelopment Plan. The general administrative costs of the CoRDA vary annually, requiring that an amendment to the financing agreement occur each year. California redevelopment law requires that a debt be incurred to finance the CoRDA's administrative obligations. The County loan is repaid by the CoRDA at the end of the fiscal year through the use of tax increment revenues.

The loan amount for FY 2003-04 is \$1,233,236, an increase of \$311,958 over the loan for FY 2002-03. The increase is due to the addition of a full-time Redevelopment Analyst position and other salary adjustments, and an increase in the amount of funds budgeted to conduct special studies and activities promoting redevelopment and economic development activities in the County's Redevelopment Project Areas.

**REVIEW BY OTHERS:** This report has been reviewed by Deputy County Counsel Michelle D. Blakemore on June 11, 2003, and by the County Administrative Office, Patricia M. Cole, Administrative Analyst III on June 15, 2003.

**FINANCIAL IMPACT:** The County will advance the funds in the amount of \$1,233,236 to the CoRDA to cover its FY 2003-04 general administrative costs. The County loan will bear an interest rate that is 1% greater than the County's pooled investment rate. The CoRDA will repay the County with tax increment revenue generated in the project area during the fiscal year. The loan will be repaid by June 30, 2004.

**SUPERVISORIAL DISTRICT(S):** Second

**PRESENTER:** John E. Nowak, Redevelopment Administrator, (909) 381-7983.

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